

WEATHER.

Cloudy, probably rain tonight and tomorrow; not much change in temperature. Temperature past twenty-four hours: High, 64 at 4 p.m. yesterday; low, 54, at 1 a.m. today. For full report, see page 16.

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The Evening Star.

PRESIDENT TALKS TO GERMAN ENVOY FOR HALF AN HOUR

Count von Bernstorff Calls at White House to Learn Mr. Wilson's Attitude.

HISTORIC BLUE ROOM SCENE OF THE PARLEY

Berlin Government to Be Asked to State Whether It Will Obey International Law.

NOTE NOW BEING PREPARED

Rejoinder to Teutonic Reply to Submarine-Lusitania Demands Expected to Go Forward Friday. Firm Stand Taken.

Count von Bernstorff, the German ambassador, had an audience with President Wilson today at noon. The President received the ambassador in the historic blue room of the White House. The ambassador had requested the interview in order to learn by personal conversation the point of view of the man who is charged with the execution of the foreign policy of the United States.

The ambassador motored to the White House through a down-pour of rain. The President, wearing a cutaway suit, appeared in the blue room promptly at 12 o'clock. The ambassador was in a formal frock attire. Isaac Hoover, the chief usher at the White House, announced the visitor.

The President and the ambassador sat down on the davenport in the historic parlor overlooking the Potomac, and began a half-hour talk. Inasmuch as the conference was of an informal character, no announcement concerning it is expected to be made.

To Sound the President.

It was understood, however, that the subject of the ambassador's call was to gain from the President an idea of the points in the last American note which the United States is determined to insist upon and to give the President an idea of the German viewpoint. The President, it was said, showed willingness to explain the position of the United States and to make it clear that it had been decided on only after careful consideration by the cabinet yesterday, when it was decided to send a note inquiring into the matter of the imperial government would abide by the principle of international law.

The President, it was also understood, gave his views, expecting the ambassador to enlighten the Berlin government on the earnest intentions of the United States.

Interview Held Private.

White House officials declined to make any statement regarding Count Bernstorff's visit, saying the engagement was made at the ambassador's request and that it would be improper for the President to say anything concerning it.

Reports that the ambassador had made any definite proposals were generally discounted. The President had already begun the preparation of the next note to Germany, and it was not until after the ambassador's visit that it would have any material effect on either its sense or its wording.

Immediately after his visit, the White House Count Bernstorff returned to the embassy and went into conference with the German ambassador. It appeared that he was about to communicate with Berlin.

Ambassador Sought Interview.

The meeting between the President and the German ambassador, the personal representative of the Emperor of Germany, the ambassador of the Imperial German government, was the first sought by Count von Bernstorff since last September, when he returned from Germany after a summer visit. The German ambassador has told friends that he realizes the seriousness of the situation and is anxious to do all that he can personally to prevent a rupture in the relations between the United States and Germany. He is unable to communicate orally, however, with his government because German cables were cut by the allies. Consequently, high officials did not believe the ambassador could bring any proposal from the German government to the United States.

The importance of the conference, however, is in the fact that although the interview was sought without instruction from the German government, the views which the President expressed in the note, which was transmitted by the latter to Berlin, are regarded naturally as taken into consideration in connection with the conference.

TWO LOAN CONCERNS ORDERED TO BE CLOSED

Corporation Counsel Syme Finds They Violate Spirit if Not Letter of Law.

COMPANIES MANAGED BY MAX E. GOLDMAN

One Other Under Investigation, and Police Asked to Make Arrests When Necessary.

Following disclosures made through The Star by the citizens' committee of the Monday Evening Club, supplemented by investigations by headquarters detectives, the District government today, at the instigation of Corporation Counsel Conrad H. Syme, directed two loan companies to close their doors on the grounds that their methods were contrary to the spirit if not the letter of the law regarding the loaning of money in the District.

The concerns affected are the Citizens' Loan Company, located at 827 F street northwest, and the Security Loan Company, at 500 F street northwest. Both are conducted by Max E. Goldman as manager.

This absolutely cleans up the "loan shark" situation in the District with the exception of a single company which is now under investigation. Mr. Syme said that the loans of the companies are canceled and will not be collected.

"Any attempt on the part of any one to collect any pending loans made by these companies," declared Mr. Syme, "should be immediately reported to the corporation counsel's office."

The corporation counsel stated that his attention had been called to the methods of these companies in collecting loans and in making what was called new 6 per cent loans, and that a system of dunning was enforced which was extremely objectionable, if not positively illegal.

Mr. Syme's Statement.

"With the assistance of information which has been collected by W. H. Baldwin, chairman of the citizens' committee, and Louis Oenberg, its attorney, I caused Detective Evans and Wagoner to make complete investigations of the methods of these companies," he continued. "Whether the methods of making these 6 per cent loans were illegal or not, there was no question in my mind that they were absolutely contrary to the spirit of the law and the understanding of the stipulation which had been entered into with the loan companies under which they had submitted to a forfeiture of 25 per cent of the principal and all of the interest on loans which had been made in violation of law. These companies have therefore been ordered to close their doors and cease all business in the District of Columbia."

Loan Shark Troubles.

The "loan shark" problem has given the Commissioners and the corporation counsel's office a great deal of concern ever since the so-called "loan shark" law became effective March 6, 1913. Recent publications in The Star concerning the activities of the "loan sharks" have been the subject of frequent conferences between Corporation Counsel Conrad H. Syme and representatives of the citizens' committee.

At the time the law went into effect, one company was in operation. Prosecutions for alleged violations were brought in Police Court and carried to the Court of Appeals, where the validity of the law was upheld.

Following this decision evidence was secured in hundreds of cases of alleged violations of the law, and a wholesale clearing up of the situation commenced. The result of this activity was that all persons who had been charged with the offense were informed that they were guilty, under stipulation pleaded into with the corporation counsel's office that they should pay a fine of \$100, and that all other charges should be dropped.

It also was stipulated in this agreement that upon application of the borrower there should be refunded all usurious interest collected since the law went into effect, and 75 per cent of the actual loan should be accepted in case where no payment had not been made.

After this agreement was reached the corporation counsel's office was flooded with persons seeking relief from usurious loans. Each case was given individual attention by the assistant to the corporation counsel, assisted by an accountant assigned from the audit department.

The amount of the refund due in each individual instance was ascertained, and also was the amount, if any, payable under the stipulation. This was between 4,000 and 5,000 victims of the "loan sharks" were relieved without cost to themselves, and between \$100 and \$40,000 was caused to be refunded to them.

Many Quit Business.

With settlement of outstanding accounts under this agreement completed, many companies voluntarily went out of business, until, at present, but one remains, according to the investigation just made by direction of the corporation counsel. The principal complaint against the methods of some of the companies that continued in business is that in making new loans they were not complying with the payment of usurious interest due on former loans.

Clubwomen Discuss Civics.

PORTLAND, Ore., June 2.—The second day's session of the Midwestern Council of the General Federation of Women's Clubs opened today with a meeting, at which civil service reform came in for the greater part of the discussion. Mrs. Roy E. Fletcher of New York city read a paper on the need of more vocational work in the public schools.

TEUTONS SOON MAY HAVE TO CONFRONT ARMY OF RUMANIA

Bulgaria Also Reported at Verge of Declaring War Against Turkey.

BALKAN STATES EXPECTED TO ACT AT SAME TIME

Territorial Concessions by Bucharest Government Said to Have Pacified Neighbor.

ARMY OF A MILLION READY

Rumanian Forces Declared in Splendid Condition and Are Reported as Now Being Mobilized.

LONDON, June 2, 11:42 a.m.—Rumania is now occupying the "seat of uneasy neutrality," lately held by Italy. The diplomats of the near east evidently are working hard to bring about an understanding between Bulgaria and Rumania.

Rumors are rife that Rumania is mobilizing an army of 1,000,000 men, which is said to be in splendid condition for active service. Grant to Bulgaria Reported.

The early addition of Bulgaria and Rumania to the ranks of the allies is indicated by a dispatch from Bucharest to Paris, stating that Bulgaria has obtained territorial grants from Rumania and is about to conclude similar negotiations with Russia. Under this plan, it is said, Rumania will go to war against Austria and Bulgaria against Turkey.

Rumania aspires to the possession of Transylvania and the Austrian government is reported to have decided against granting her demands. Turkey already has made preparations at Adrianople and elsewhere south of the Bulgarian border for possible invasion.

Germany Urges Concessions.

The German press is showing some indications of anxiety over this situation, and the Frankfurt Zeitung has called for concessions to prevent Rumanian intervention. Vienna has been informed that Rumania is pouring out blood and treasure in the struggle, must be listened to, and that Austria-Hungary must not expect to make certain sacrifices to meet the Rumanian demand.

Austria Expected to Refuse.

"According to news from the Austrian frontier," says the Post-Berliner, "the Austrian ministry met Monday—representatives from Berlin being present—to discuss the Rumanian note. It is understood that Rumania's demands will be refused. The relations between the two countries already are strained."

"If, however," a Rumanian deputy, in an article in the Geneva Journal, estimates that Rumanian army has now 1,000,000 men perfectly equipped, which will present a problem on a new 400-mile front to the Austrian army."

A Copenhagen dispatch April 22 quoted the Rumanian minister to Italy as having said that Rumania had demanded concessions of territory from Austria in return for remaining neutral in the war, but that she had refused to acquiesce. Just what these alleged demands were was not stated, but the minister reported that he had said that there existed a defensive alliance between Rumania and Italy.

A dispatch to the Daily Mail from Rome says that all the Italian newspapers have as an accomplished fact the approaching entry of Rumania and Bulgaria into the war.

Complete Understanding Reached.

PARIS, June 2.—Bulgaria and Rumania have arrived at a complete understanding, according to a Bucharest dispatch to the Petit Parisien, Rumania having agreed to cede territory in Dobruja. The two countries will enter the war simultaneously, the dispatch says, Rumania against Austria and Bulgaria against Turkey.

The army staffs of the two powers are said to be busy co-ordinating military plans. Negotiations between Rumania and Bulgaria seem to be reconcilable with the existence and security of Austria-Hungary. The German government must play the role of counselor and intermediary. There is no reason for Austria-Hungary not making just and equitable concessions to Rumania.

Wrested From Bulgaria.

Dobruja is a part of Rumania bounded on the east by the Black sea and on the north and west by the Danube river. As a consequence of the second Balkan war between Bulgaria and Serbia and Greece, Rumania took from Bulgaria a large slice of territory and returned it to Dobruja province on the south. Much bitter feeling existed in Bulgaria for some time against Rumania on this account, but more recently a change in the relations between these two Balkan states was observed.

Would Satisfy Rumania.

AMSTERDAM, via London, June 2.—The Frankfurt Gazette, a copy of which has been received here, says: "The national aspirations of the Rumanians seem to be reconcilable with the existence and security of Austria-Hungary. The German government must play the role of counselor and intermediary. There is no reason for Austria-Hungary not making just and equitable concessions to Rumania."



TURKS' TROOP-SHIP IS REPORTED SUNK

British Submarine Given Credit for Feat in the Sea of Marmora.

LONDON, June 2.—A Reuter dispatch from Athens says: "It is reported from Constantinople that a British submarine has torpedoed two Turkish transports, one of them laden with troops, in the Sea of Marmora."

Later dispatches from Athens say that a British submarine sank near Constantinople the Mahusein steamer, No. 62, carrying Turkish troops to the Dardanelles. It is stated that because of the activities of a British submarine Turkish troops are now being dispatched by rail to the Gallipoli peninsula.

Turks Have Large Army.

The Times' Athens correspondent, in a detailed computation of the strength of the Turkish forces defending the Dardanelles and Constantinople, arrives at a total of 275,000, which, he says, is a formidable force, especially as the positions of some of its troops hold are of great natural strength.

"Moreover," the correspondent adds, "the Germans unquestionably have improved the Turks' transport and commissariat services, and, therefore, the allies must not expect to reach Constantinople without a severe struggle, and must pay the Turkish army the compliment of believing, until they have proof to the contrary, that it will die game."

Allied Force in Peril.

Advices from Mytilene, according to an Athens dispatch to the Exchange Telegraph Company, say that allied troops recently were on the point of being surrounded by several companies of Turks, who succeeded in breaking the British lines between Baki Mezzen and Kaitopu, when allied warships hurried to the scene, and by their timely arrival, dispersed the Turks, killing the greater number of them.

GERMANS ON FURLOUGH BARRED FROM GAY LIFE

BERLIN, June 2, via London.—The military authorities have issued an order applicable to Berlin forbidding both officers of all ranks and private soldiers from visiting any of the large number of "luxury restaurants and cafes" in Berlin as well as all bars and wineries.

The order points out that the purpose of furloughs granted officers and men—physical recovery from the rigors of life at the front and the recuperation of nerves and body—is seriously endangered by visits to these restaurants and bars.

CORONER HOLDS INQUEST OVER ZEPPELIN VICTIMS

LONDON, June 2.—A coroner's jury, acting today in the case of two victims of the Zeppelin raid on London the night before last, rendered a verdict that they had met their death by suffocation and burns, "these having been ordered by some agents of hostile forces."

Respirators Fail to Prevent Death.

TORONTO, June 2.—That the respirators, or "muzzles," as the British "Tommy Atkins" call them, fail to save the men in the trenches from gas poisoning is the assertion of a non-commissioned officer in the British army, who writes to his uncle, A. Logan Gedge of Toronto.

EXTRA SESSION DEPENDS ON FOREIGN SITUATION

President Would Not Favor Early Meeting of Congress if International Complications Are Serious.

The President would not favor an extra session of Congress, beginning early in October, if international complications continue serious or delicate. The President intimated as much to Senator Kern of Indiana, who favors such a session to dispose of the question of important changes in the rules of the Senate. Senator Kern said today that he had talked the matter of an extra session with the President, but that he would not himself favor such a session unless matters generally were fairly normal. If they were, then he thought there should be an extra session.

The President would have to fear much jingoism on foreign affairs if Congress were in session, and for that reason, no Senator's election followed the session, he would not call one should affairs continue as they now are.

SEBASTIAN ELECTED MAYOR.

LOS ANGELES, June 2.—Charles E. Sebastian, chief of police, is today mayor-elect of Los Angeles, according to indications of the nearly completed count of votes at yesterday's elections.

His estimated plurality over Frederick J. Whiffen, president of the city council, was 5,000 votes.

Mrs. Estelle Lawton Lindsey was elected to the city council. Mrs. Maud Crew Waters was elected to the board of education. She is president of one of the largest women's organizations in California.

Little Republic Must Decide Whether to Fight or Be Neutral.

ROME, via Paris, June 2.—The little republic of San Marino, twenty-two square miles in area, although entirely surrounded by Italian territory, forms an absolutely independent state. A serious discussion is now going on in the republic as to whether it shall remain neutral.

The question is more important than appears at first sight. San Marino, standing on a high mountain a few miles from the Adriatic, dominates the Adriatic. If it continues neutral Austrian aeroplanes could, in time of need, take refuge there, repulse any oncoming planes and return home. This would not be possible if San Marino joined with Italy in the war.

ATTACKS THE CABINET.

Japanese Opposition Gives Expression to "Lack of Confidence." TOKIO, June 2, 7:30 p.m.—The opposition today introduced in the house of representatives a resolution expressing lack of confidence in the present cabinet.

Japanese Opposition Gives Expression to "Lack of Confidence."

This resolution charged the cabinet with having failed in the negotiations with China from beginning to the end; with having interfered with the friendly relations with China; with having aroused the suspicion of foreign powers, thereby hampering the prestige of the empire in the East; and with creating a situation likely to be followed by other complications.

VOLUNTEERS FLOCK TO ITALIAN COLORS

Two Hundred Thousand Offer Services, and Recruiting Is Halted.

ROME, June 2, via Paris.—Two hundred thousand volunteers already have presented their names to the ministry of war, and it has been decided to accept no more at present.

The Idea Nazionale says that the Duke of Apulia, who is seventeen years old, has, with the permission of King Victor Emmanuel, enlisted as a private in the artillery and departed for the front.

Expect Hard Fighting.

Exultation is general in Rome over the Italian air raid on Pola and the amount of damage done, as Pola is the greatest military port of Austria, is the center of the railways of Istria, and has great natural defenses and fortifications. The fact that an Italian airship was able to damage the arsenal, the railway station and other structures is taken as proof that the Austrian fleet, now at that port, is not entirely safe.

Archduke in Command.

BRESCIA, Italy, June 2.—It is believed here that Archduke Eugene has assumed personal command of the Austro-Hungarian forces defending Trent.

The archduke was in command of the Austrian army that advanced against Serbia, and after the loss of Belgrade he was given command of all the troops in the south. Eugene is very popular among the Austrians. His brother, Archduke Frederick, is the Austrian commander-in-chief in the operations against the Russians. Eugene is thoroughly familiar with the Alpine country bordering Italy, and the reason that for many years he was in command of the Austrian army corps stationed at Innsbruck.

Red Cross Supplies Sent to Italy.

The Italian Red Cross notified the American Red Cross today that while the question of asking for American surgeons and nurses would be taken up later there was immediate need of surgical supplies. These will be forwarded immediately to Italy, as well as any other belligerent nation that asks for them.

HARD FIGHTING ON WEST OF FRANCO-BELGIAN LINE

LONDON, June 2.—Severe fighting occurred yesterday on the western end of the Franco-Belgian front, north of Arras. The French war office claims that the allies penetrated Neville and captured several houses, as well as trenches near the town. The Berlin announcement, however, asserts this attack was repulsed.

The Belgian army is once more in the thick of battle. A statement from the Belgian war ministry indicates that the allies penetrated Neville and captured several houses, as well as trenches near the town. The Berlin announcement, however, asserts this attack was repulsed.

One Death and \$200,000 Loss by Fire

VANCOUVER, B. C., June 2.—One man was killed, five injured and damage estimated at \$200,000 was done in a fire which partly destroyed the Percival block, in the heart of the wholesale district, early today. A collision between fire trucks cost the life of a driver and injured five firemen.

U. S. TO SAVE MEXICO FROM HORRORS OF WAR UNLESS FACTIONS UNITE

President's Note Directs Attention to Famine and Paralyzed Industries, and Warns Leaders Condition Must End.

President's Warning to Mexican Factions

For more than two years revolutionary conditions have existed in Mexico. The purpose of the revolution was to rid Mexico of men who ignored the constitution of the republic and used their power in contempt of the rights of its people; and with these purposes the people of the United States instinctively and generously sympathized. But the leaders of the revolution, in the very hour of their success, have disagreed and turned their arms against one another. All professing the same objects, they are nevertheless unable or unwilling to co-operate. A central authority at Mexico City is no sooner set up than it is undermined, and its authority denied by those who were expected to support it. Mexico is apparently no nearer a solution of her tragical troubles than she was when the revolution was first kindled. And she has been swept by civil war as if by fire. Her crops are destroyed, her fields lie unseeded, her work cattle are confiscated for the use of the armed factions, her people flee to the mountains to escape being drawn into unavailing bloodshed, and no man seems to see or lead the way to peace and settled order. There is no proper protection either for her own citizens or for the citizens of other nations resident and at work within her territory. Mexico is starving and without a government.

In these circumstances the people and government of the United States cannot stand indifferently by and do nothing to serve their neighbor. They want nothing for themselves in Mexico. Least of all do they desire to settle her affairs for her, or claim any right to do so. But neither do they wish to see utter ruin come upon her, and they deem it their duty as friends and neighbors to lend any aid they properly can to any instrumentality which promises to be effective in bringing about a settlement which will embody the real objects of the revolution—constitutional government and the rights of the people. Patriotic Mexicans are sick at heart and cry out for peace and for every self-sacrifice that may be necessary to procure it. Their people cry out for food, and will presently hate as much as they fear every man, in their country or out of it, who stands between them and their daily bread.

It is time, therefore, that the government of the United States should frankly state the policy which in these extraordinary circumstances it becomes its duty to adopt. It must presently do what it has not hitherto done or felt at liberty to do, lend its active moral support to some man or group of men, if such may be found, who can rally the suffering people of Mexico to their support in an effort to ignore, if they cannot unite, the warring factions of the country, return to the constitution of the republic so long in abeyance, and set up a government at Mexico City which the great powers of the world can recognize and deal with, a government with whom the program of the revolution will be a business and not merely a platform. I, therefore, publicly and very solemnly, call upon the leaders of faction in Mexico to act, to act together, and to act promptly for the relief and redemption of their prostrate country. I feel it to be my duty to tell them that, if they cannot accommodate their differences and unite for this great purpose within a very short time, this government will be constrained to decide what means should be employed by the United States in order to help Mexico save herself and serve her people.

June 2, 1915.

President Wilson served notice on the factional leaders of Mexico today that unless within "a very short time" they unite to set up a government which the world can recognize the United States "will be constrained to decide what means should be employed by the United States in order to help Mexico save herself and serve her people."

Signaling a change from the "watchful waiting" policy which has guided relations with Mexico for more than two years, the President's statement was regarded everywhere in official and diplomatic quarters as the notice of a new and vigorous policy to restore peace below the Rio Grande. Everywhere it was interpreted as a warning that the patience of the United States is exhausted.

The statement goes to Carranza, Villa, Zapata and Garza, the principal leaders, not as a diplomatic note from the United States, but as a declaration of President Wilson's attitude, expressed in a statement to the American people.

First Step Toward Peace.

The communication, prepared by President Wilson and approved by his cabinet, is the first step in a policy which the administration has determined to bring about the restoration of peace in Mexico. Unless the Mexican factions themselves compose the situation, some other means will be found by the United States, it is pointed out.

Wired to Mexican Leaders.

The statement drafted after yesterday's cabinet meeting was prepared for issue early today, but was delayed by some minor changes made in conference between the President and Secretary Bryan. It was to have been issued at 10 o'clock a.m., but was delayed until shortly after noon. While it was being given out at the White House it was being flashed on its way to Consul Stillman at Vera Cruz, the Brazilian minister at Mexico City, and Consular Agent O'Connell.